

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA	:	CR. NO. 1:24-CR-
	:	
v.	:	
	:	(Judge)
ESTER N. MBAYA,	:	
	:	
Defendant.	:	

INFORMATION

THE UNITED STATES ATTORNEY CHARGES:

At times material to this Information:

COUNT 1
18 U.S.C. § 1347
(Health Care Fraud)

BACKGROUND

1. The defendant, ESTER N. MBAYA, was resident of Harrisburg, Pennsylvania, in the Middle District of Pennsylvania. ESTER N. MBAYA was the president of Cool Waters, LLC, until the business was sold in June 2020.
2. Cool Waters, LLC, was a home care agency located in Harrisburg, PA, in the Middle District of Pennsylvania. It provided attendant care and personal assistance services to consumers living in

their homes or in other independent living environments. From 2017 and thereafter, Cool Waters, LLC, was a Medicaid provider that received Medicaid compensation.

3. Medicaid is a joint federal-state program that provides health coverage and/or nursing home coverage to certain categories of low-asset individuals, including individuals needing nursing home care. Medicaid was created to help low-asset individuals who fall into one of these eligibility categories pay for some or all of their medical bills. Each state administers its own Medicaid program, establishes its own eligibility standards, determines the scope and types of services it will cover, and sets the rate of payment.

4. In Pennsylvania, the Department of Human Services (DHS) is the organization tasked with administering the Medicaid program. Prior to the implementation of managed care in the Pennsylvania Medicaid program, Medicaid Providers rendering personal assistance services (PAS) contracted directly with DHS to deliver services to Pennsylvania residents who were eligible recipients. DHS reimbursed providers directly based on the claims submitted through the Provider Reimbursement and Operations Management Information System. As

of January 1, 2020, Cool Waters, LLC contracted with the managed care organizations of its Medicaid recipients in order to submit claims for reimbursement for PAS provided to each Medicaid recipient. These managed care organizations receive capitated funds from DHS to expend on their recipients and reimbursed Cool Waters, LLC with Medicaid funds for claims submitted on behalf of their recipients.

THE SCHEME AND ARTIFICE TO DEFRAUD

5. It was part of the scheme and artifice to defraud that the defendant, ESTER N. MBAYA, obtained in excess of \$1 million from Medicaid through a scheme in which the defendant submitted or caused to be submitted fraudulent claims for reimbursement. These fraudulent claims included, among other things, (1) requests for reimbursement for services that were not provided, (2) requests for reimbursement for services that were inflated to reflect more service than was actually provided, (3) requests for reimbursement for services provided by personal care assistants who were fraudulently represented as eligible and or available to provide said services when they were not.

6. In order to carry out this scheme and artifice to defraud, the defendant, ESTER N. MBAYA, caused to be created and submitted

claims for Medicaid reimbursement that falsely reported that PAS were provided to Medicaid recipients. In addition, the defendant, ESTER N. MBAYA, caused to be created false records in the electronic visit verification system to falsely show that PAS were provided by Cool Waters, LLC, to Medicaid recipients that were not provided. In addition, the defendant, ESTER N. MBAYA, manipulated payroll records to prevent payment for fraudulently entered shifts for PAS not worked by the identified employee.

7. From in or around January 2018 until in or about June 2020, in Dauphin, Cumberland, Lebanon, Perry and York Counties, within the Middle District of Pennsylvania, and elsewhere, the defendant,

ESTER N. MBAYA,

knowingly and willfully executed and attempted to execute a scheme or artifice to defraud Medicaid, a health care benefit program as defined in Title 18, United States Code, Section 24(b), in connection with the payment for health care benefits, items, and services.

All in violation of Title 18, United States Code, Section 1347.

THE UNITED STATES ATTORNEY FURTHER CHARGES:

COUNT 2

18 U.S.C. § 1956(h)
(Bank Fraud)

8. Between July and August 2021, the defendant, ESTER N. MBAYA, applied for lines of credit and loans from Presence Bank, M&T Bank, Members 1st Federal Credit Union, and New Cumberland Federal Credit Union, financial institutions, the deposits of which were insured by the Federal Deposit Insurance Corporation.

9. In support of the applications, the defendant, ESTER N. MBAYA, provided these financial institutions with falsified records. For example, the defendant provided pay checks purportedly Mission Health, Inc. that had been falsified to make it appear that the defendant had more income than she did. In addition, she submitted altered bank statements to make it appear she had more money on deposit than she did. The defendant submitted these false records to induce these financial institutions to provide lines of credit and loans.

10. The financial institutions approved the lines of credit and loan applications as follows:

a. On August 3, 2021, Presence Bank approved a \$750,000

line of credit to Serenity Blue, LLC, an entity owned and controlled by the defendant.

- b. On July 13, 2021, Members 1st Federal Credit Union approved a \$50,000 personal loan for the defendant.
- c. On August 13, 2021, M&T Bank approved a \$50,000 personal loan for the defendant.
- d. On August 10, 2021, New Cumberland Federal Credit Union approved a \$25,000 personal loan for the defendant.

11. Thereafter, the defendant took funds from three of these institutions which resulted in the following losses: \$489,069.48 for Presence Bank, \$47,740.60 for M&T Bank, and \$49,054.05 for Member's 1st Federal Credit Union. The defendant's attempt to get funds from New Cumberland Federal Credit Union was unsuccessful as the loan was not funded.

12. From in or around July 2021 until in or about August 2021, in Dauphin and Cumberland Counties, within the Middle District of Pennsylvania, and elsewhere, the defendant,

ESTER N. MBAYA,

did knowingly execute a scheme or artifice to defraud and obtain the money, funds, credits, assets and other property owned by and under the control of Presence Bank, M&T Bank, Members 1st Federal Credit Union, and New Cumberland Federal Credit Union, financial institutions, the deposits of which were insured by the Federal Deposit Insurance Corporation, by means of material false and fraudulent pretenses, representations and promises.

All in violation of Title 18, United States Code, Section 1344.

GERARD M. KARAM
United States Attorney



MICHAEL A. CONSIGLIO
Assistant United States Attorney

9/27/2024

Date